S. HRG. 99-891

NOMINATION OF LOUIS F. LAUN

HEARING

BEFORE THE

COMMITTEE ON FINANCE
UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

ON THE

NOMINATION OF

LOUIS F. LAUN TO BE ASSISTANT SECRETARY OF INTERNATIONAL ECONOMIC POLICY, INTERNATIONAL TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE

SEPTEMBER 18, 1986

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NOMINATION OF LOUIS F. LAUN TO BE ASSISTANT SECRETARY OF INTERNATIONAL POLICY, INTERNATIONAL TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE

THURSDAY, SEPTEMBER 18, 1986

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to notice, at 11 a.m. in room SD-215, Dirksen Senate Office Building, the Honorable Bob Packwood (chairman) presiding.

Present: Senators Packwood, Dole, Roth, Danforth, Chafee, Heinz, Wallop, Durenberger, Armstrong, Symms, Grassley, Long, Bentsen, Moynihan, Baucus, Bradley, Mitchell, and Pryor.

[The press release and (the biographical sketch of Louis F. Laun follows:]

[Press Release]

FINANCE COMMITTEE TO REVIEW LOUIS F. LAUN NOMINATION

Chairman of the Senate Finance Committee, Senator Bob Packwood (R-Oregon) announced today that the Committee will hold a hearing to review the nomination of Louis F. Laun to be Assistant Secretary of International Economic Policy, International Trade Administration, Department of Commerce.

The hearing will be held on Thursday, September, 18, 1986, beginning at 11:00 a.m., in Room SD-215 of the Dirksen Senate Office Building.

Mr. Laun has been Deputy Assistant Secretary of the U.S. and Foreign Commercial Service in the Department of Commerce since March, 1986. From 1977 to 1986, he was President of the American Paper Institute. Prior to that, he served as Deputy Administrator of the U.S. Small Business Administration.

Mr. Laun received his bachelors degree, Magna Cum Laude, in Economics from Yale University in 1942. Mr. Laun is from Chappaqua, New York.

LOUIS F. LAUN

BIOGRAPHICAL SKETCH

Louis F. Laun has been Deputy Assistant Secretary of the U.S. and Foreign Commercial Service in the Department of Commerce since March, 1986. Prior to that and since May, 1977, he was President of the American Paper Institute, serving as the chief executive officer of the trade association representing the interests of the nation's pulp, paper, and paperboard industries.

Prior to that he served for over four years in Washington, for most of the period as Deputy Administrator of the U.S. Small Business Administration.

Before joining the government, he was President from 1957 to 1971 of the Celanese Fibers Marketing Company, a major division of the Celanese Corporation, where he was also a corporate vice president. In addition, he served as a director of U.S. and Canadian subsidiaries of the firm. Prior to this he held various executive positions with Burlington Industries and the Bates Manufacturing Company. In these companies his roles included general management, domestic and international marketing, merchandising, advertising, public relations and labor relations.

He was born in Battle Creek, Michigan, and graduated with honors from Taft School. He graduated magna cum laude from Yale University in 1942, with honors in economics, and was elected to Phi Beta Kappa. He is still active in both schools' activities

Following his graduation, Mr. Laun enlisted in the Marine Corps, where he rose to the rank of captain. During World War II, he was awarded the Bronze Star for heroic action. He is currently a Lt. Colonel in the Retired Reserve of the U.S. Marine Corps.

Mr. Laun has done extensive consulting work, including a period as special adviser to Rev. Leon Sullivan, Chairman of the Opportunities Industrialization Center of America. He has been a director of the New York Board of Trade, the Better Business Bureau of New York, and the Educational Foundation for Fashion Industries and a trustee of the Taft School. He was formerly Chairman of the Man-Made Fiber Producers Association and President of the Color Association of the U.S.

Before joining the Commerce Department he was a member of the Executive Committee of the National Advisory Council of the Small Business Administration and on the Executive Committee of the President's Private Sector Survey on Cost Control as well as on the Board of Directors of Citizens Against Waste.

He has been the recipient of several honors including the Gold Medal for Distinguished Service, the Small Business Administration's highest award; the Anti-Defamation League's Human Rights Award; the Textile Veteran's Association's Annual Achievement Award, and was named the Man of the year by both the Textile Salesmen's Association and the Fabric Salesmen's Guild.

Mr. Laun is married to the former Margaret West of Bethlehem, New York and they are the parents of three daughters: Nancy, Katnryn, and Margaret. He and his wife are living in Washington, D.C., and are residents of Chappaqua, New York.

The CHAIRMAN. The committee will come to order, please.

Our first order of business is to consider the nomination of Louie Laun to be Assistant Secretary for International Policy of the International Trade Administration in the Department of Commerce. And I might say, in lieu of any other Senator being here to introduce Louie, that I have known him almost as long as I have been in the Senate. You came with the Small Business Administration about 1970, 1971, as I recall.

Mr. LAUN. That is right, early 1970.

The CHAIRMAN. Then, of course, he went off to head the American Paper Institute. And coming from a State that is very, very concerned with timber and paper, I had extensive dealings with Louie in that capacity. I have nothing but the highest regard for him, and I am delighted that the administration has chosen somebody of his caliber. They are lucky to get somebody of this caliber to come back and serve again in government after he has already gone through it once and knows what he is getting into. There is an excuse for some people, Louie: they don't know better. But you do know better. (Laughter)

The CHAIRMAN. And before we hear from him and hear from Senator Bentsen, I would like to introduce his wife, Cricket, who I see sitting there also. Cricket, welcome.

Senator Bentsen, any comments?

Senator BENTSEN. Only to admire his courage and question his judgment. Thank you very much, Mr. Chairman. [Laughter]

The CHAIRMAN. John.

Senator CHAFEE. Mr. Chairman, not only do you start on time, I think you started a hair early.

I just want to join in welcoming Mr. Louie Laun here. I know of his excellent record and I just commend him to this committee. I think we are very, very fortunate that a man of his background and ability is willing to undertake this job and I think he will do it in excellent fashion. So we are very, very proud to have you working for the Government once again.

Mr. LAUN. Thank you, sir.

The CHAIRMAN. Senator Roth.

Senator ROTH. No questions, Mr. Chairman.

The CHAIRMAN. I just want to note for the record that the committee has received Mr. Laun's financial disclosure materials and has received a letter from the Director of the Office of Government Ethics signifying that Louie is in compliance with the Ethics in Government Act, and the letter will be made part of the record.

Mr. Laun.

[The letter follows:]

United States
Office of Government Ethics
P.O. Box 14108
Washington, D.C. 20044

AUG - 7 1985

Honorable Robert Packwood
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Louis F. Laun, who has been nominated by President Reagan for the position of Assistant Secretary for International Economic Policy, International Trade Administration, Department of Commerce.

We have reviewed the report and have also obtained advice from the Department of Commerce concerning any possible conflict in light of the Department's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Laun is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

STATEMENT OF MR. LOUIS F. LAUN, ASSISTANT SECRETARY OF INTERNATIONAL ECONOMIC POLICY, INTERNATIONAL TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE

Mr. LAUN. Mr. Chairman, thank you very much for inviting me to appear before you today. I know you have a horrendous schedule ahead of you, so I certainly will be brief.

I recently went to work for the International Trade Administration in the Department of Commerce because I feel very strongly that success in international trade matters is one of the most important things on the agenda for our country, and I know that all parts of our nation have to work together on this issue if we are going to solve it. If we don't solve it, it is very, very sure that we will have a decline in our welfare and in the standard of living for us and our children.

As you have indicated, sir, in my background on the private sector side, I have had, in addition to being head of the American Paper Institute for the last 8½ years, I have had experience in three corporations, in senior positions in marketing, both domestic and international, and also in general management.

On the Government side, this will really be my third tour of duty. I had 4 years in the Marine Corps before getting into the Small Business Administration, so this is triple questioning of my judgment, I guess.

I certainly would like to offer this experience and add to it my strong desire to help our country work its way out of this. And I pledge you my full effort if you confirm me.

The CHAIRMAN. Louie, I have no questions. I was on the Small Business Committee when you were there, and I just recall the extraordinary cooperation you gave to members of Congress and the exemplary job you did and then the frequent dealings we had when you were at the American Paper Institute. I am delighted.

Are there any questions of Mr. Laun?

Senator CHAFEE. No. I just want to share in the general enthusiasm that the committee has for Mr. Laun. And, again, let me say I think we are fortunate to be able to entice him back into governmental service.

Mr. LAUN. Thank you.

Senator BENTSEN. Mr. Chairman, I was looking over this biographical sketch and what a distinguished career. I am delighted we have a man of this caliber who is willing to give his time and make a contribution to public service. I think we are fortunate, sir.

Mr. LAUN. Thank you, sir.

The CHAIRMAN. Louie, thank you. And we hope to have a markup a little later this morning and I do not expect any difficulty in sending your name out.

Mr. LAUN. Thank you very much.

The CHAIRMAN. Cricket, it is good to see you again.

Mr. LAUN. I very much appreciate it.

[Whereupon, at 11:05 a.m., the hearing was concluded.]

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